

FEB 11 1997 - 12:19 PM

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(212) 474-1820

February 7, 1997

Dear Mr. Williams:

In accordance with 49 U.S.C. §11301, we submit herewith for recording with the Surface Transportation Board original counterparts of the document described below.

This document is a Memorandum of Chattel Mortgage and Security Agreement, a "primary document", dated as of February 5, 1997.

The names and addresses of the parties to the document are as follows:

MORTGAGOR: Leone Lease Ltd.
c/o Citilease Co., Ltd.
2-3-14 Higashi-shinagawa
Shinagawa-ku
Tokyo 140, Japan

MORTGAGEE: Citicorp USA, Inc.
400 Perimeter Center Terrace
Atlanta, Georgia 30346

The equipment covered by the document is as follows:

<u>Number of Units</u>	<u>General Description</u>	<u>AAR Symbol</u>	<u>Railroad's Road Numbers (both inclusive)</u>
40	6-axle diesel-electric locomotives	C-C	9020-9059

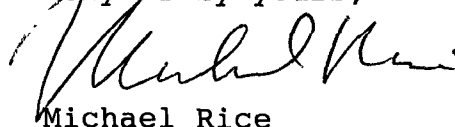
The recordation fee of \$21.00 is enclosed. After recordation, please return the counterparts not needed by the Board, stamped with the Board's recordation data, to the undersigned at the above address.

A short summary of the document for use in the index follows:

Memorandum of Chattel Mortgage and Security Agreement dated as of February 5, 1997, between Leone Lease Ltd., as mortgagor, and Citicorp USA, Inc., as mortgagee, and covering 40 diesel-electric locomotives (numbered NS 9020-9059).

Please acknowledge receipt on the enclosed copy of this letter.

Very truly yours,



Michael Rice

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
12th and Constitution Avenue, N.W.
Washington, DC 20423

Encl.

RECORDATION NO 20544 FILED 1406
FEB 11 1997 -12 10 PM

MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT dated as of February 5, 1997, between LEONE LEASE LTD., a corporation organized under the laws of Japan (hereinafter called the **Borrower**), and CITICORP USA, INC. (hereinafter called the **Security Agent**).

WHEREAS the Borrower and the Security Agent are entering into that certain Chattel Mortgage and Security Agreement dated as of the date hereof and supplements thereto, covering the railroad locomotives listed in Schedule A hereto.

IN WITNESS WHEREOF, the parties wish to show for the public record the mortgage of and security interest in the said locomotives in favor of the Security Agent, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

LEONE LEASE LTD.

by James F. Hayde

CITICORP USA, INC.

by _____

MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT dated as of February 5, 1997, between LEONE LEASE LTD., a corporation organized under the laws of Japan (hereinafter called the **Borrower**), and CITICORP USA, INC. (hereinafter called the **Security Agent**).

WHEREAS the Borrower and the Security Agent are entering into that certain Chattel Mortgage and Security Agreement dated as of the date hereof and supplements thereto, covering the railroad locomotives listed in Schedule A hereto.

IN WITNESS WHEREOF, the parties wish to show for the public record the mortgage of and security interest in the said locomotives in favor of the Security Agent, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

LEONE LEASE LTD.

by _____

CITICORP USA, INC.

by Hilary A. Hylan
Hilary A. Hylan
Vice President

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this 7th day of February, 1997, before me personally appeared James F. Haydel, to me personally known, who, by me being duly sworn, says that he is attorney-in-fact for LEONE LEASE LTD., and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Erica M. Slezak
Notary Public

My commission expires

ERICA M. SLEZAK
Notary Public State of New York
No 02SL5042488
Qualified in Nassau County
Commission Expires April 24, 1997

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this day of February, 1997, before me personally appeared , to me personally known, who, by me being duly sworn, says that he is of CITICORP USA, INC., that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

.....
Notary Public

My commission expires

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this day of February, 1997, before me personally appeared , to me personally known, who, by me being duly sworn, says that he is attorney-in-fact for LEONE LEASE LTD., and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

.....
Notary Public

My commission expires

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this *7th* day of February, 1997, before me personally appeared *HILARY Hylan*, to me personally known, who, by me being duly sworn, says that she is *Vice President* of CITICORP USA, INC., that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

...*Menna Antigua*...
Notary Public

A circular notary seal for Menna Antigua, Notary Public. The seal contains the text "NOTARY PUBLIC" and "STATE OF NEW YORK" around the perimeter, with the name "Menna Antigua" in the center.

My commission expires
December 12, 1999

SCHEDULE A

<u>Quantity</u>	<u>Description</u>	Norfolk Southern Railway Company <u>Road Numbers</u>
40	General Electric model DASH 9-40CW diesel-electric locomotives	9020 through 9059